

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2375-01  
Bill No.: HB 4  
Subject: Agriculture and Animals: Business and Commerce  
Type: Original  
Date: September 5, 2001

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**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 3 pages.

## FISCAL ANALYSIS

### ASSUMPTION

Officials of the **Department of Agriculture (AGR)** and **State Courts Administrator (CTS)** assume this proposal would have no fiscal impact on their agencies. Officials of the **Attorney General's Office (AGO)** assume enforcement of the provisions in the bill could be managed with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0

### FISCAL IMPACT - Small Business

Livestock producers and small businesses involved in the meat packing industry could be fiscally impacted by this proposal.

### DESCRIPTION

This bill repeals the right of sellers of livestock who are discriminated against by packers to receive treble damages, costs, and reasonable attorney fees. It also repeals the right of any person injured by a violation of the livestock marketing law to bring suit under Chapter 407, RSMo. Only the Attorney General may bring this action.

Provisions requiring a packer purchasing livestock for slaughter not to discriminate in prices paid to sellers of that livestock are replaced with provisions that make it unlawful for a packer to:

(1) Engage in any unfair, unjustly discriminatory, or deceptive practice;

DESCRIPTION (continued)

(2) Give any undue or unreasonable preference or advantage to any person or location in any respect whatsoever;

(3) Sell or transfer to, for, or from any other packer with the effect of apportioning the supply between the packers, restraining trade, or creating a monopoly;

(4) Sell or transfer any article with the effect of manipulating or controlling prices;

(5) Engage in any business practice for the purpose of manipulating or controlling prices, creating a monopoly, or restraining commerce; or

(6) Conspire with any other person to apportion territory for carrying on business, apportion purchases, or control prices.

The provisions of the bill are to be enforced by the Attorney General in a manner consistent with the purposes and intent of the Packers and Stockyards Act (7 U.S.C.A. section 192).

The bill has an emergency clause.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Agriculture  
Attorney General's Office  
State Courts Administrator



Jeanne Jarrett, CPA  
Director  
September 4, 2001